



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 11, 2005

Gregory Hahn
Lisbon Valley Mining Company
Summo USA Corporation
3900 South Wadsworth Boulevard, Suite 495
Lakewood, Colorado 80235

Subject: Formal Approval of Amended Notice of Intention, Large Mining Operations and Reclamation Surety, Summo, USA Corporation, Lisbon Valley Mine, M/037/088, San Juan County, Utah

Dear Mr. Hahn:

On December, 29, 2004, the Division received an amended plan from Summo to drill 13 exploration holes located on an area that contains private surface and Bureau of Land Management (BLM) minerals. The total area of disturbance would be about 0.24 acres, but because of the plugging costs, the bond estimate is \$26,600 for this proposal.

Summo did not submit new bond money for this proposal; because there is sufficient monies in the certificates of deposit submitted for previous exploration projects that have either been reclaimed or that have not yet been developed. We currently hold three certificates of deposit totaling \$162,300 for Summo's exploration and some of the well drilling projects. Eleven wells are covered under the \$3.5 million surety for the mine itself. The Division estimates that including the current proposal, there is still \$30,055 that is not committed for reclamation of any sites (see attached summary).

We need to bring to your attention that although we estimate there may be an excess of \$30,055, this does not necessarily mean that that much money is available for any future disturbance. We have just had an audit of our bonding instruments and it was pointed out that the \$124,200 certificate of deposit issued by Zions Bank is in excess of the FDIC limitation of \$100,000. The rules state that a certificate of deposit must be federally insured. Therefore, if you propose

Gregory Hahn
Page 2 of 2
M/037/088
March 11, 2005

any additional disturbance in the future, we may not be able to credit you with the entire \$30,055.

On March 4, 2005, Summo submitted a revised reclamation contract to include the new area, which the Acting Director of the Division of Oil, Gas and Mining signed and executed on March 9, 2005 (copy enclosed). ***The Division hereby grants its final approval of your amended large mining notice of intention to drill the additional 13 exploration holes.*** We understand the BLM is nearing approval of this proposal. You may proceed with this proposal as outlined when you have acquired approval from the BLM.

We wish you much success with your continued operations. Please call me or Paul Baker if you have any questions regarding this letter.

Sincerely,



Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:jb
Attachment: Bonding Summary
Enclosure: Copy of Revised MR-RC
cc: Pat Gochnour, Consultant, Gochnour & Associates w/attach & encl
Opie Abeyta, BLM, Utah State Office w/encl
Ted McDougal, BLM, Monticello FO, w/encl
O:\M037-SanJuan\M0370088-LisbonValley-Summo\Final\apv-amend-03112005.doc

Bonding Summary for SUMMO USA
As of March 7, 2005

Column 1	2	3	4	5
Project Description	Bond submitted for this project	Comments	Estimated Liability for existing disturbances	Money not needed for existing and potentially imminent disturbances (Column 2 less Column 4)
Water Wells proposed July 14, 2000, and approved September 1, 2000	\$27,173	3 of 14 wells drilled (C-5 [PW3], S-5 [PW4], and a well to replace G-3 [PW5])	\$5710 (escalated to 2005 dollars)	\$21,463
Water Wells proposed January 4, 1999, and approved about March 8, 1999	\$69,900	Eleven groundwater monitoring wells covered under the \$3.5 million-dollar bond for the mine. Wells and piezometers drilled and not included in the main bond are SLV3, PW97-1, PW97-2, 97R7, 98R3, 98R4, 98R7, 94MW6, 98R8, and SLV4.	\$16,007 (escalated to 2004 dollars)	\$53,893
March 4, 2004 proposal for 29 holes in the Centennial Pit	\$28,777 (No money actually submitted; this amount was carried over from previous projects that have now been fully released.)	All holes drilled and plugged. No revegetation required.	\$0.00	\$28,777
September 26, 2003, proposal for 25 holes near the GTO Pit	\$10,450	All holes that are going to be drilled have been drilled and plugged except one that was completed as a well (G-3 replacement—see above)	\$8350 (This figure includes release of plugging requirements for all holes) (No escalation factor or contingency applied)	\$2100
July 1, 2004, proposal for 25 holes	\$0.00	No additional bond submitted.	\$43,698 (Contingency and supervision applied; escalated to 2009 dollars)	(\$43,698)
Crusher Lay-Down	\$26,000		\$26,000 (Contingency and supervision applied; escalated to 2009 dollars)	\$0.00
November 24, 2004, proposal to redrill 5 holes originally proposed September 26, 2003	\$0.00	No additional bond submitted.	\$5880 (No escalation factor or contingency applied)	(\$5880)
December 29, 2004, proposal to drill 13 holes on private surface/BLM mineral outside the permit area	\$0.00	No additional bond being proposed.	\$26600 with contingency and escalation to 2010	(\$26,600)
Column Totals	\$162,300		\$132,245	\$30,055

FORM MR-RC
Revised January 21, 2005
RECLAMATION CONTRACT

File Number M/037/088

Effective Date March 9, 2005

Other Agency File Number U+U-72499
SITLA-ML-17661 + ML-20569

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECEIVED

MAR 04 2005

RECLAMATION CONTRACT

DIV OF OIL GAS & MINING

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) (Mineral Mined)	M/037/088 Copper
"MINE LOCATION": (Name of Mine) (Description)	Lisbon Valley Copper Project 18 miles south of La Sal, San Juan County, Utah
"DISTURBED AREA": (Disturbed Acres) (Legal Description)	19.085 Acres <u>(Refer to Attachment A)</u>
"OPERATOR": (Company or Name) (Address) (Phone)	Lisbon Valley Mining Co. LLC By Summo USA Corporation, Manager 3900 S. Wadsworth Blvd., Suite 495 Lakewood, CO 80235 720-228-0055

"OPERATOR'S REGISTERED AGENT":

Name)

(Address)

(Phone)

CT Corporation
50 West Broadway, 8th Floor
Salt Lake City, Utah 84104
801-531-7090

"OPERATOR'S OFFICER(S)" & TITLE:

Gregory A. Hahn, President
John Labate, V.P. & CFO
Summo USA Corporation

SURETY":

(Form of Surety – Already on Deposit)

#1 - Certificate of Deposit (\$124,200)
#2 - Certificate of Deposit (\$12,100)
#3 - Certificate of Deposit (\$26,000)

"SURETY COMPANY":

(Name, Policy or Acct. No.)

#1 - Zions First National Bank
1-9)
#2 - Wells Fargo Bank N.A.
38)
#3 - Wells Fargo Bank N.A.
59)

"SURETY AMOUNT":

(Escalated Dollars)

\$162,300

"ESCALATION YEAR":

2010

"STATE":

"DIVISION":

"BOARD":

State of Utah

Division of Oil, Gas and Mining

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Lisbon Valley Mining Company, LLC the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/037/088 which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intent dated August 1995 and the original Reclamation Plan dated August 1995. The Reclamation Plan and/or Notice of Intention, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.

6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.
7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.

13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Lisbon Valley Mining Co. LLC
Operator Name

By: Summo USA Corporation - Manager
Gregory A. Hahn - President

Gregory A. Hahn
Officer's Signature

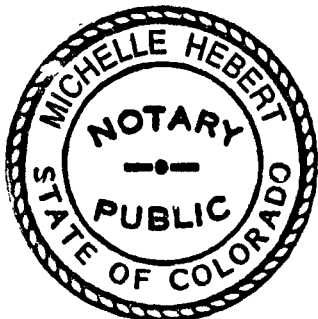
March 2, 2005
Date

STATE OF COLORADO)
) ss:
COUNTY OF JEFFERSON)

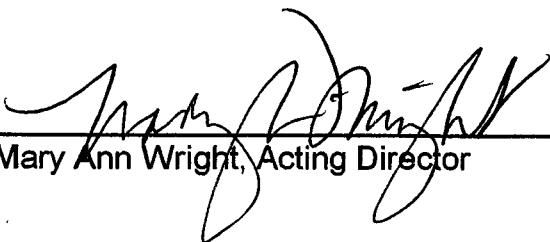
On the 2nd day of March, 2005, Gregory A. Hahn personally appeared before me, who being by me duly sworn did say that he/she is the President of Summo USA Corporation, Manager of Lisbon Valley Mining Co. LLC and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said Gregory A. Hahn duly acknowledged to me that said company executed the same.

Michelle Hebert
Notary Public
Residing at Lakewood, CO

3-18-07
My Commission Expires:



DIVISION OF OIL, GAS AND MINING:

By 
Mary Ann Wright, Acting Director

3/09/05
Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 9th day of March, 2005, Mary Ann Wright personally appeared before me, who being duly sworn did say that she, the said Mary Ann Wright is the Acting Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and she duly acknowledged to me that she executed the foregoing document by authority of law on behalf of the State of Utah.



Joelle Burns
Notary Public
Residing at: SLC UT

April 4, 2005
My Commission Expires:

ATTACHMENT "A"

Lisbon Valley Mining Co. LLC
Summo USA Corporation, Manager
(Operator)

Lisbon Valley Copper Project
(Mine Name)

M/037/088
(Permit Number)

San Juan County, Utah

The legal Description of the lands to be disturbed is:

Approximately 2.57 acres from exploration drilling and monitoring wells located within:

Township 30 South, Range 25 East

SE $\frac{1}{4}$ and SW $\frac{1}{4}$, Section 25

NE $\frac{1}{4}$, Section 26

NE $\frac{1}{4}$, Section 35

NW $\frac{1}{4}$, Section 36

Township 31 South, Range 26 East

NE $\frac{1}{4}$, Section 5

Township 31 South, Range 25 East

NE $\frac{1}{4}$, Section 1

As described in the 1/19/99 "Well Locations" Map

As amended to include approximately 1.14 acres of additional disturbance for groundwater exploration drilling within:

Township 30 South, Range 25 East

SE $\frac{1}{4}$, Section 23

NW $\frac{1}{4}$, SW $\frac{1}{4}$, SE $\frac{1}{4}$, Section 25

NE $\frac{1}{4}$, Section 26

NE $\frac{1}{4}$, SW $\frac{1}{4}$, SE $\frac{1}{4}$, Section 36

Township 31 South, Range 26 East

NW $\frac{1}{4}$, Section 6

As described and provided in the 7/14/00 Request and Map titled Groundwater Exploration Development dated 7/11/00

As amended to include approximately 2.17 acres from exploration drilling within:

Township 31 South, Range 25 East
NE ¼, Section 1

Township 31 South, Range 26 East
NW ¼, Section 6

As described and provided in the 9/23/03 Request and Map titled Fall 2003 Exploration Project Map.

As amended to include approximately 1.97 acres of additional disturbance for exploration drilling within:

Township 30 South, Range 25 East
SW ¼, Section 25
NW ¼, Section 36

As described and provided in the 3/08/04 Request and Map titled Centennial Pit Exploration Map dated 3/04/04.

As amended to include approximately 2.40 acres of additional disturbance for exploration drilling within:

Township 30 South, Range 25 East
SW ¼, Section 25
SE ¼, Section 26
NE ¼, Section 26

As described and provided in the 7/01/04 Request and Map titled Centennial Pit NW Exploration Map dated 6/29/04.

As amended to include approximately 6.42 acres of additional disturbance for a constructed laydown area within:

Township 30 South, Range 25 East
SW ¼, Section 26

As described and provided in the 7/10/04 Request and Map (with Sketch) requesting approval for Crusher Laydown Area

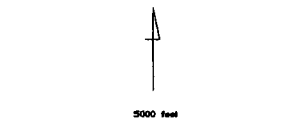
As amended to include approximately .24 acres of additional disturbance for exploration drilling within:

Township 31 South, Range 26 East
NE ¼, Section 9

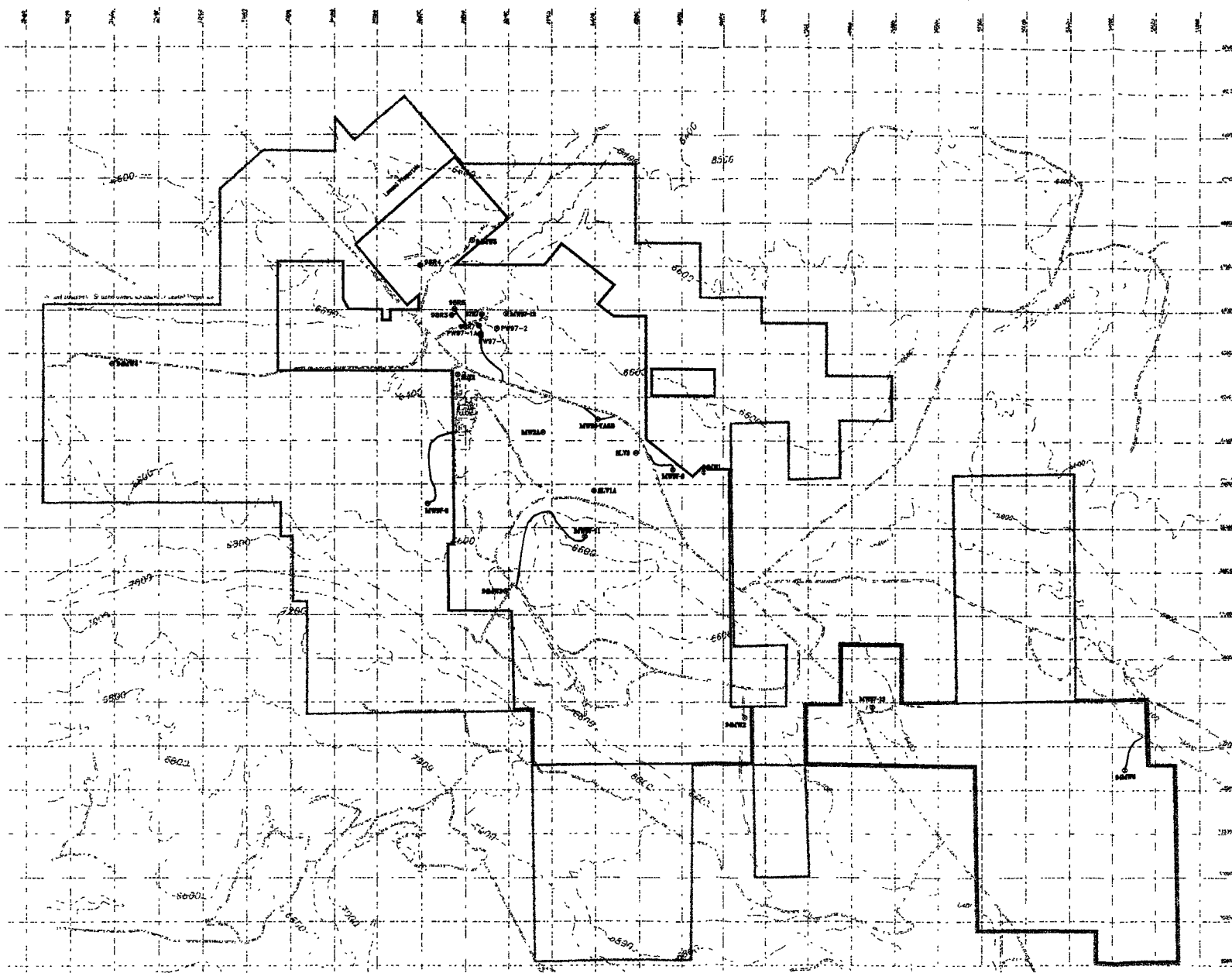
As described and provided in the 12/29/04 Exploration Request and Map titled Flying Diamond Exploration Map dated September 2004

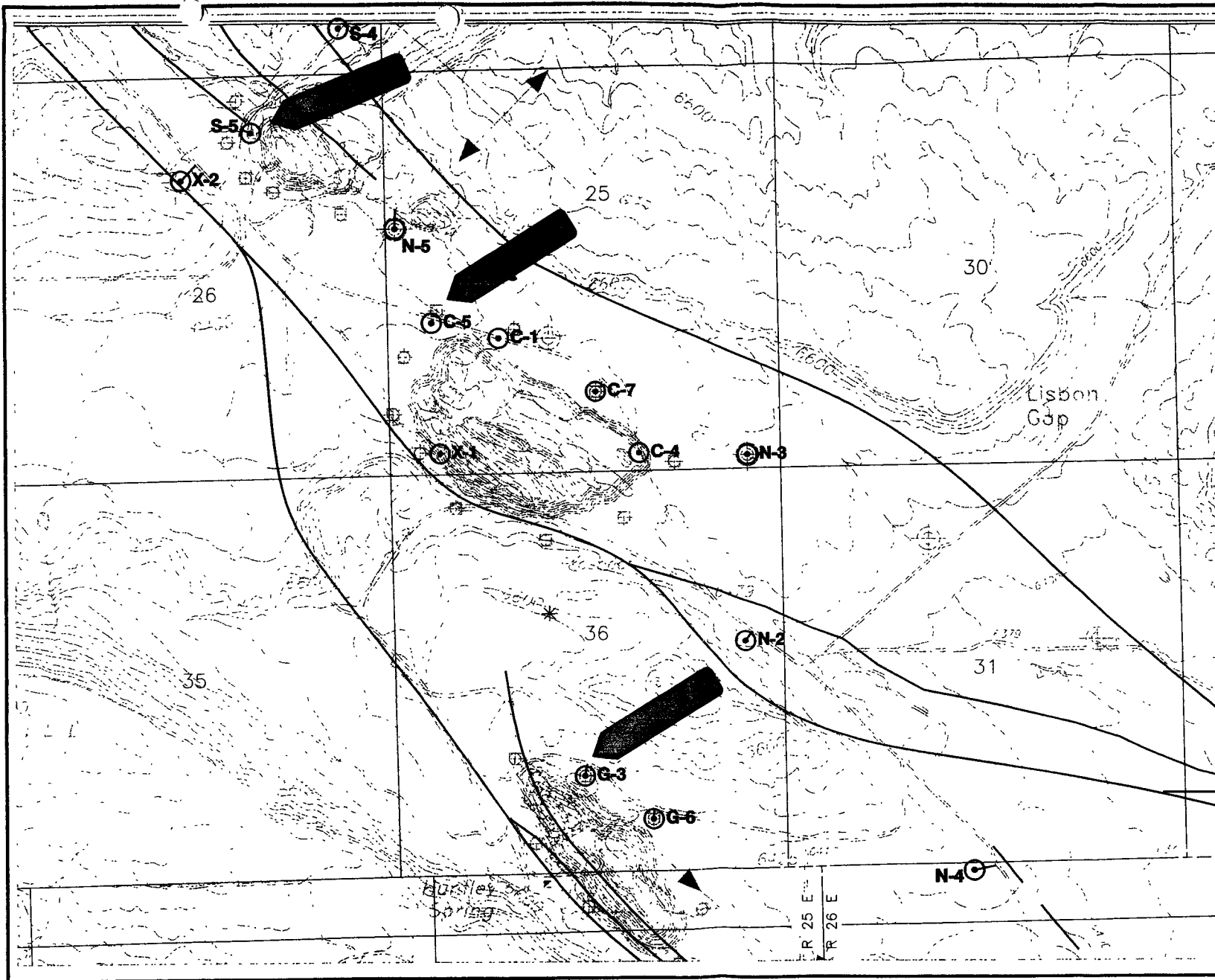
M/037/088

- PROJECT INFORMATION
- Bureau Property
 - Local Property
 - PWS-1 Well
 - STW Treatment
 - EMTA Monitor well



Summo USA Corp.
Lisbon Valley Copper Project
Well Locations





Legend

Well Location

Fault

Access Route

RECEIVED

JUL 17 2000

DIVISION OF
OIL, GAS AND MINING

M/1037/008



0 1200 2400
Scale (ft)



GOCHINOUR & ASSOCIATES, INC.

Lisbon Valley Project

July 11, 2000
GROUNDWATER EXPLORATION
DEVELOPMENT PROJECT

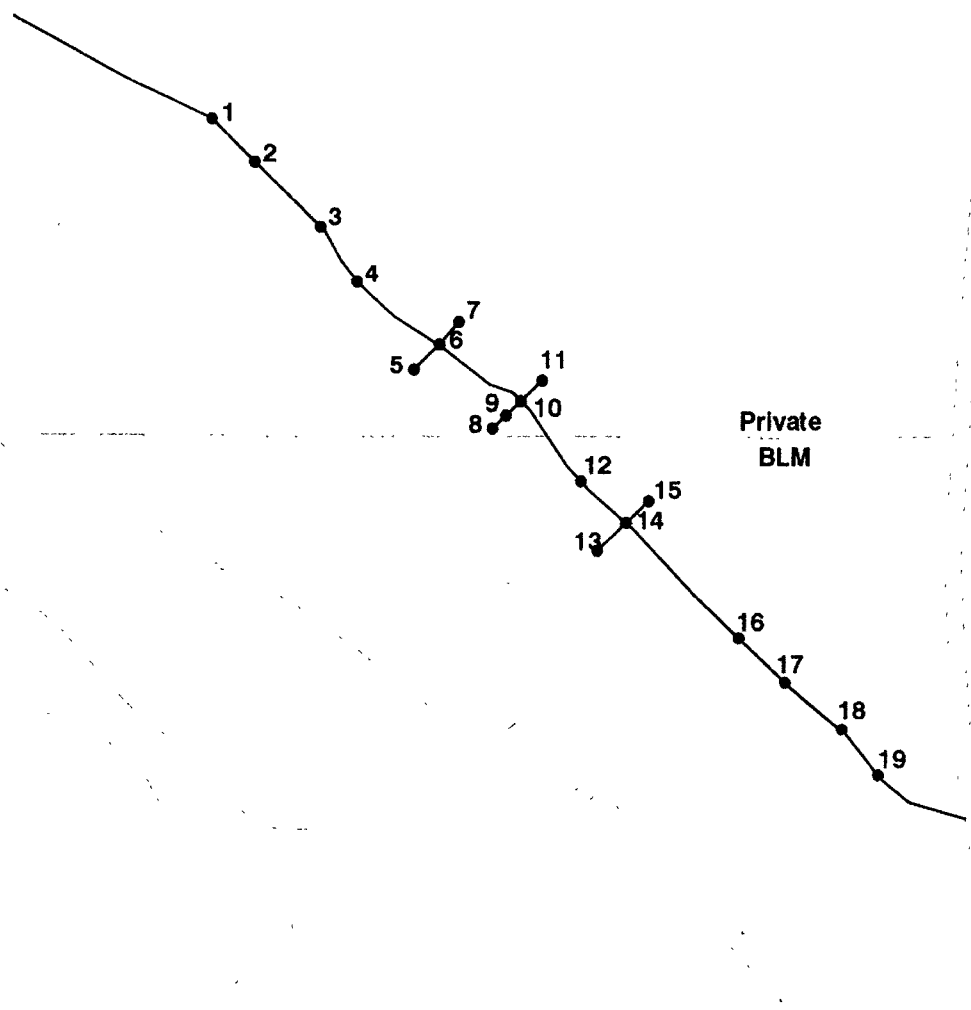
SCALE: 1"=1200'

36

31

T 30 S
T 31 S

R 25 E
R 26 E



APPROVED

DEC - 2 2000

Cub
Mine

DIV. OIL GAS & MINING

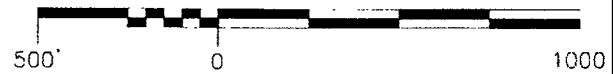
M/037/088

LEGEND

- Existing Access Route
- New Access Route
- - Proposed Drill Sites



SCALE IN FEET



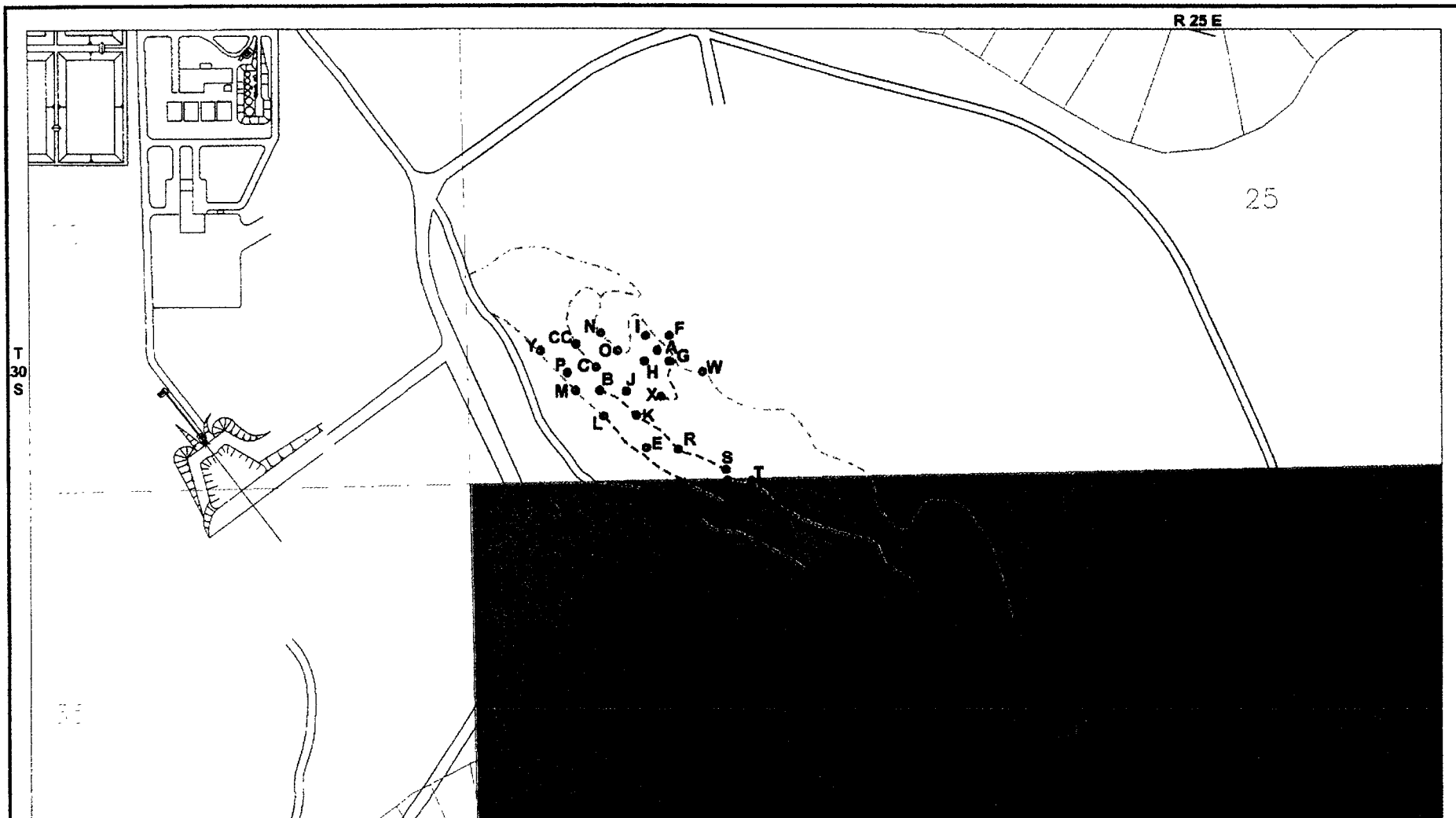
GOCHNOUR & ASSOCIATES, INC.

Lisbon Valley Project

Fall 2003

Exploration Project

SCALE: 1"=500'

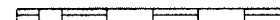


Legend

- Existing Access Roads
- Access Roads on Bureau of Land Management (BLM)
- Access Roads on State Land
- Drill Hole Locations
- Bureau of Land Management (BLM)
- State Land



300 0 300 600 Feet



GOCHNOUR & ASSOCIATES, INC.

Lisbon Valley Project

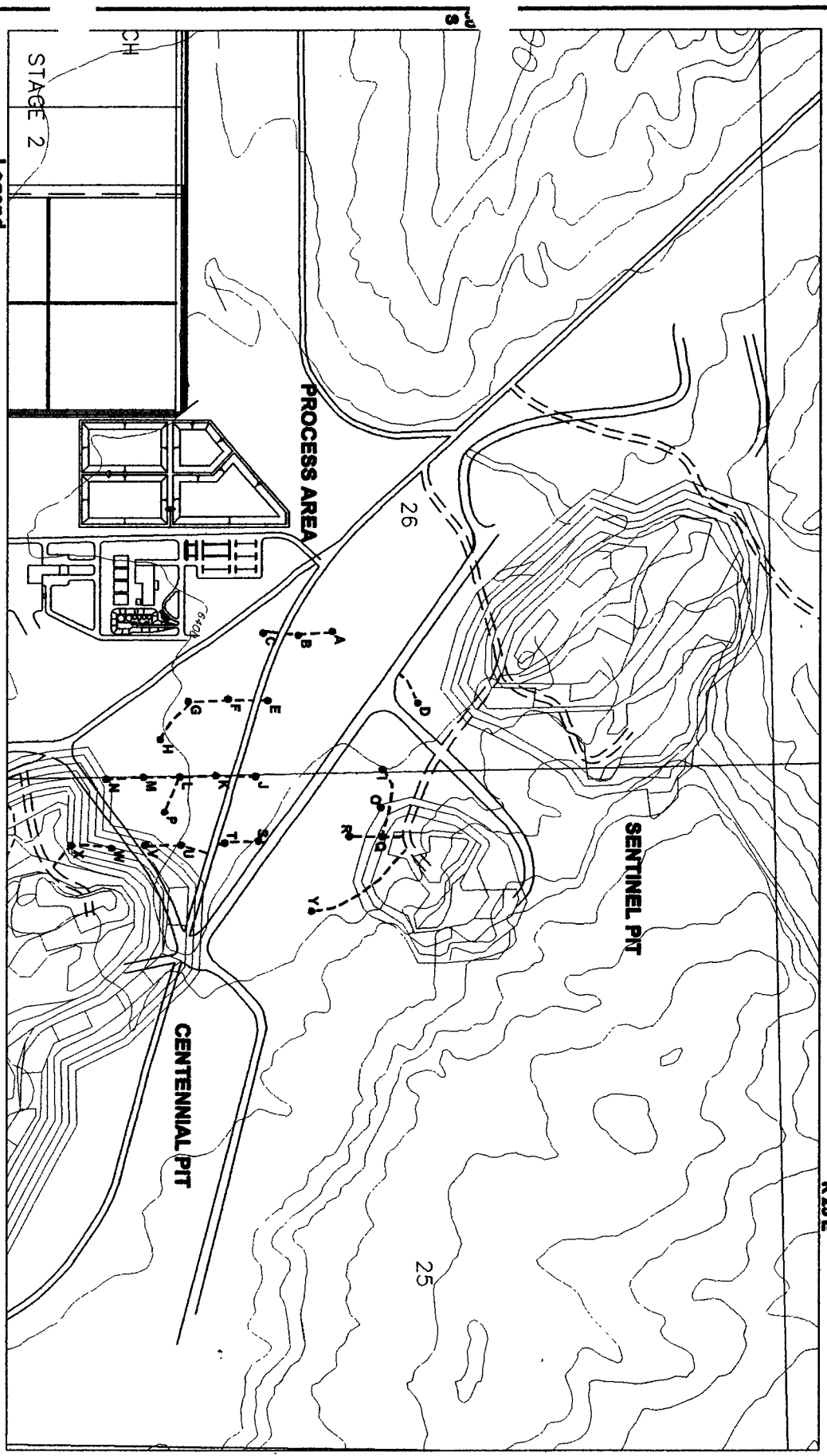
March 4, 2004

Centennial Pit Exploration





DRAWN BY: ETC

Attachment A m/037/088

R 28 E



Legend

-  Bureau of Land Management (BLM)
-  Proposed Access Roads
-  Existing Access Roads
-  Drill Holes



GOCHINOIR & ASSOCIATES, INC.

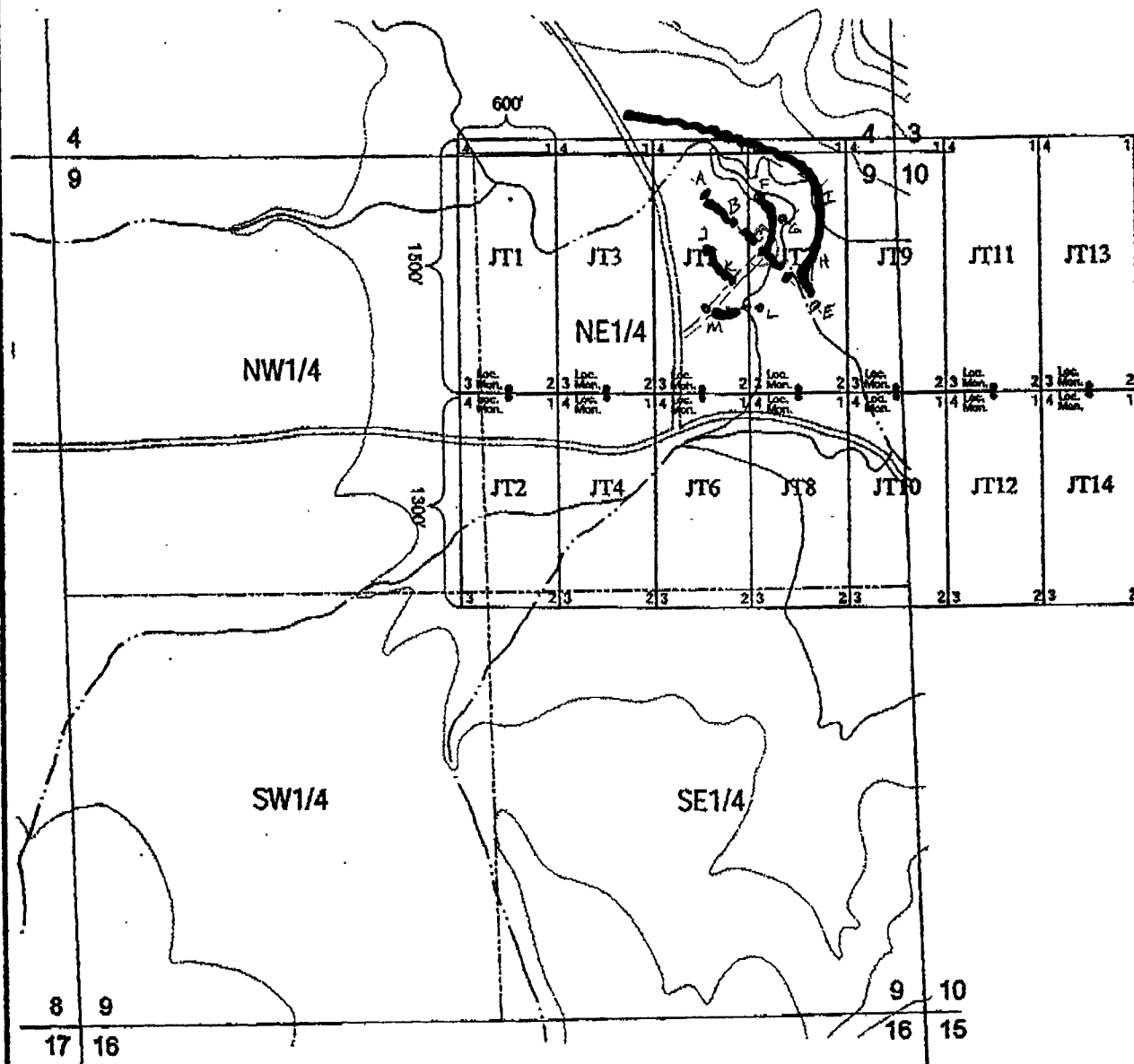
Lisbon Valley Project

June 29, 2004

Centennial Pt NW Exploration

DRAWN BY: ETC

Exhibit A



T31S-R26E, SLM

FLYING DIAMOND

0 500 1000 2000
Scale-In-Feet

<div>Denver Office 800 Denver Center Building 1776 Lincoln Street Denver, Colorado 80202</div>			<div>Constellation Copper Corporation</div>																														
			<div>Lisbon Valley Mining Company</div>																														
			<div>JT Lode Claims</div>																														
			<div>San Juan County, Utah</div>																														
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	Revision	Date																															
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